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IN THE UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
PORTLAND DIVISION

Willamette Valley Vineyards, Inc.,

PLAINTIFF,

v.

**Flying Blue Imports, LLC DBA Flying Blue
AKA Willamette Valley Cellars,**

DEFENDANT.

Case No. 3:21-cv-00514

COMPLAINT FOR TRADEMARK
INFRINGEMENT, TRADE NAME
INFRINGEMENT, AND UNFAIR
COMPETITION

DEMAND FOR JURY TRIAL

Plaintiff Willamette Valley Vineyards, Inc. (“Willamette Valley Vineyards”) brings this complaint against Defendant Flying Blue Imports, LLC, doing business as Flying Blue, also known as Willamette Valley Cellars (“Flying Blue”), and alleges as follows:

NATURE OF ACTION

1. This is an action for trademark infringement, trade name infringement, and unfair competition under Sections 32(1) and 43(a) of the Lanham Act, 15 U.S.C. §§ 1114(1) and 1125(a), and the common law of Oregon, arising out of Flying Blue’s unauthorized use of marks, WILLAMETTE VALLEY CELLARS and WILLAMETTE, that infringes Willamette Valley

Vineyards' trademarks WILLAMETTE VALLEY VINEYARDS and WILLAMETTE, as well as its Willamette Valley Vineyards trade name.

PARTIES

2. Willamette Valley Vineyards, Inc. is an Oregon corporation, with its principal place of business in Turner, Oregon, which produces and sells premium, super premium and ultra premium varietal wines under trademarks that include WILLAMETTE VALLEY VINEYARDS and WILLAMETTE.

3. Flying Blue Imports, LLC is, on information and belief, a Wisconsin limited liability company, with a place of business in Carlton, Yamhill County, Oregon, which does business under the names "Flying Blue" and "Willamette Valley Cellars" and sells wine under the trademarks WILLAMETTE VALLEY CELLARS and WILLAMETTE.

JURISDICTION AND VENUE

4. This Court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1331, 1338(a), 1338(b), and 15 U.S.C. § 1121 because it arises under the Lanham Act, 15 U.S.C. §§ 1051 et seq. Jurisdiction over the Oregon State law claims is also appropriate as these claims are so related to the claims brought under the Lanham Act that they form part of the same case or controversy, and hence fall within the scope of this Court's supplemental jurisdiction pursuant to 28 U.S.C. §§ 1338(b) and 1367.

5. This Court has personal jurisdiction over Flying Blue because, on information and belief, it is doing business in this District, has caused labels bearing its infringing WILLAMETTE VALLEY CELLARS mark to be affixed to containers of wine within this District, and has transported and/or sold containers of wine labelled with its infringing WILLAMETTE VALLEY CELLARS mark within this District.

6. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b) because a substantial part of the events giving rise to Willamette Valley Vineyards' claims occurred in this District, and because Flying Blue is subject to personal jurisdiction in this District.

WILLAMETTE VALLEY VINEYARDS AND ITS WILLAMETTE MARKS

7. Willamette Valley Vineyards was founded in 1983 by Founder and Winegrower Jim Bernau. Willamette Valley Vineyards makes wine from grapes that it grows in vineyards in the Willamette Valley, Oregon. Many of those wines it sells under its trademarks WILLAMETTE VALLEY VINEYARDS and WILLAMETTE (collectively, the “Willamette Marks”).

8. Willamette Valley Vineyards’ flagship and largest-selling varietal is Pinot Noir, which sells at a suggested retail price of \$24 to \$100 per bottle. Willamette Valley Vineyards’ mission for the WILLAMETTE VALLEY VINEYARDS brand is for it be the premier producer of Pinot Noir from the Pacific Northwest.

9. Willamette Valley Vineyards has used “Willamette Valley Vineyards” as its trade name since at least as early as its founding in 1983.

10. Willamette Valley Vineyards has continuously sold wine under the WILLAMETTE VALLEY VINEYARDS trademark since at least as early as April 1, 1989, and has continuously sold wine under the WILLAMETTE trademark since at least as early as February 13, 2004.

11. Willamette Valley Vineyards has also long used its WILLAMETTE VALLEY VINEYARDS mark in the following distinctive stylization and arrangement:

WILLAMETTE VALLEY

VINEYARDS

12. Willamette Valley Vineyards and its WILLAMETTE Marks have been featured prominently in and recognized by numerous national consumer and trade publications. For example, Willamette Valley Vineyards earned the title “One of America’s Great Pinot Noir Producers” from *Wine Enthusiast*, was named “2018 Top Travel Pick” by *Northwest Travel & Life*, won the 2016 Sunset Travel Award Winner for “Best Vineyard/Tasking Room Experience” from *Sunset*, and was named “2011 Winery of the Year” by *Wine & Spirits*.

13. Wines that Willamette Valley Vineyards sells under its WILLAMETTE Marks have consistently won high scores and awards in tastings conducted at wine competitions and by wine publications.

14. Willamette Valley Vineyards has spent a considerable amount promoting and advertising wines sold under its WILLAMETTE Marks.

15. As a result of Willamette Valley Vineyards' long history of use of its WILLAMETTE Marks in connection with wine, the high quality of that wine, and Willamette Valley Vineyards' marketing and promotion, as well as the public acclaim and press coverage that its wines have earned, the WILLAMETTE Marks and the "Willamette Valley Vineyards" trade name are widely recognized throughout the United States and have become associated with Willamette Valley Vineyards' wines. The WILLAMETTE Marks and the "Willamette Valley Vineyards" trade name therefore symbolize valuable goodwill and reputation.

16. In recognition of Willamette Valley Vineyards' rights in the WILLAMETTE VALLEY VINEYARDS trademark, the United States Patent and Trademark Office ("PTO") on February 10, 2004 issued U.S. Trademark Registration No. 2,813,201 to Willamette Valley Vineyards for the trademark WILLAMETTE VALLEY VINEYARDS for wine. A copy of U.S. Trademark Registration No. 2,813,201 is attached as Exhibit A.

17. In recognition of Willamette Valley Vineyards' rights in the WILLAMETTE trademark, the PTO on December 13, 2011 issued U.S. Trademark Registration No. 4,070,687 to Willamette Valley Vineyards for the trademark WILLAMETTE for wine. A copy of U.S. Trademark Registration No. 4,070,687 is attached as Exhibit B.

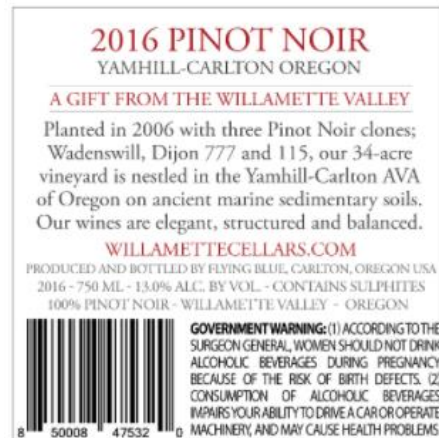
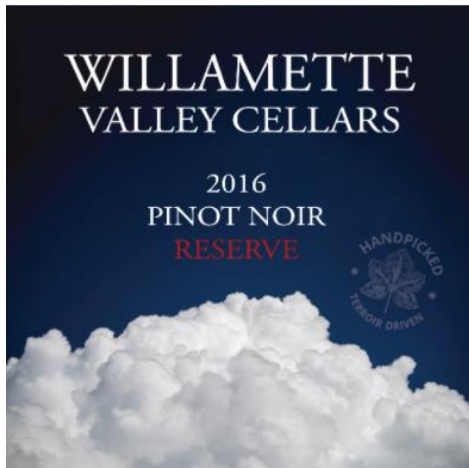
18. U.S. Trademark Registrations Nos. 2,813,201 and 4,070,687 were issued pursuant to Section 2(f) of the Lanham Act, 15 U.S.C. § 1052(f), meaning that the PTO recognizes that the WILLAMETTE Marks have become distinctive of Willamette Valley Vineyards' goods in commerce. The registrations are valid, subsisting, and incontestable under the provisions of the Lanham Act, 15 U.S.C. § 1065. As a result, U.S. Trademark Registrations Nos. 2,813,201 and 4,070,687 constitute conclusive evidence of the validity of the WILLAMETTE Marks, of

Willamette Valley Vineyards' ownership of those marks, and of Willamette Valley Vineyards' exclusive right to use them in commerce in connection with wine.

FLYING BLUE'S WRONGFUL CONDUCT

19. On information and belief, Flying Blue began selling wine under the trademark WILLAMETTE VALLEY CELLARS and WILLAMETTE in or about May 2020.

20. Flying Blue is using the trademarks WILLAMETTE VALLEY CELLARS and WILLAMETTE in commerce that may lawfully be regulated by Congress in connection with Pinot Noir wine sold in standard 750 ml bottles. The front and back labels on the bottle are depicted here:



21. On the label on the front of the bottle, the word “Willamette” is above and much more prominent than the words “Valley” and “Cellars.” “Willamette” appears in type that is fatter, bolder and larger than the type used for surrounding text and the font closely mimics the font frequently used by Willamette Valley Vineyards when displaying its WILLAMETTE Marks on labels, including but not limited to the use of overlapping letter “V” to form the “W” in WILLAMETTE.

22. The label on the back of the bottle includes the statement “PRODUCED AND BOTTLED BY FLYING BLUE, CARTON, OREGON” and prominently lists the WILLAMETTECELLARS.COM domain name.

23. The bottles of Flying Blue’s WILLAMETTE VALLEY CELLARS wine also feature a metal neck wrapping (also called the “capsule”) with the mark WILLAMETTE printed on it, as shown in the bottle photo and detail below:



24. On information and belief, Flying Blue is the listed registrant for the WILLAMETTECELLARS.COM domain name, which Flying Blue registered on or about May 7, 2020. On information and belief, Flying Blue selected the WILLAMETTECELLARS.COM domain name because of its similarity to Willamette Valley Vineyards’ WILLAMETTE Marks.

25. On information and belief, starting in or about May 2020, Flying Blue began forwarding the WILLAMETTECELLARS.COM domain name to a page maintained by Flying Blue on its Internet website at www.flyingblueimports.com/willamettevalleycellars for the purpose of advertising and promoting its WILLAMETTE VALLEY CELLARS wine. The website features a prominent photo of a wine bottle depicting WILLAMETTE VALLEY CELLARS on the label and WILLAMETTE on the capsule. The website also contains a section titled “THE WILLAMETTE VALLEY CELLARS STORY” that includes statements, such as “Our vineyard is located on the Savannah Ridge, in the Yamhill-Carlton AVA” and that “Willamette Valley Cellars collaborates with them [i.e., local winemakers] to bring quality fruit, unmatched energy and a sense of soul into every bottle of wine we craft,” suggesting that that “Willamette Valley Cellars” is an actual, physical winery located in Oregon that is the producer

of WILLAMETTE VALLEY CELLARS-branded wine. A true and correct screen capture of Flying Blue's WILLAMETTE VALLEY CELLARS webpage as it appeared on April 6, 2021 is attached as Exhibit C.

26. On information and belief, Flying Blue does not operate an actual physical winery in Oregon or, for that matter, anywhere else.

27. Based on the similarity between Flying Blue's trademarks WILLAMETTE VALLEY CELLARS and WILLAMETTE, including the prominence given the term "Willamette," Flying Blue's use of the trademarks WILLAMETTE VALLEY CELLARS and WILLAMETTE in connection with wine is likely to confuse consumers and cause them to believe that wine sold by Flying Blue originates from or is affiliated with Willamette Valley Vineyards, or that there is an association or affiliation between Flying Blue and Willamette Valley Vineyards.

28. Based on the similarity between Flying Blue's domain name WILLAMETTECELLARS.COM, including the prominence given the term "Willamette," Flying Blue's use of the domain name WILLAMETTECELLARS.COM in connection with the advertising and promotion of wine is likely to confuse consumers and cause them to believe that wine sold by Flying Blue originates from or is affiliated with Willamette Valley Vineyards, or that there is an association or affiliation between Flying Blue and Willamette Valley Vineyards.

29. On information and belief, Flying Blue's use of WILLAMETTE VALLEY CELLARS, WILLAMETTE, and WILLAMETTECELLARS.COM has caused, and will continue to cause, actual confusion among consumers.

30. Willamette Valley Vineyards has informed Flying Blue that its use of WILLAMETTE VALLEY CELLARS, WILLAMETTE, and WILLAMETTECELLARS.COM in connection with wine creates a likelihood of confusion with Willamette Valley Vineyards' WILLAMETTE Marks and that Willamette Valley Vineyards would sue Flying Blue if it did not, among other things, cease use of the WILLAMETTE VALLEY CELLARS mark, and any other mark identical to or confusingly similar to the WILLAMETTE Marks, in connection with

the sale and advertising of wine, take down the WILLAMETTE VALLEY CELLARS webpage, and transfer the WILLAMETTECELLARS.COM domain name to Willamette Valley Vineyards.

31. Notwithstanding Flying Blue's actual notice of Willamette Valley Vineyards' rights in the WILLAMETTE Marks, Flying Blue has used and is continuing to use the trademarks WILLAMETTE VALLEY CELLARS and WILLAMETTE in connection with wine, as well as the WILLAMETTECELLARS.COM domain name to promote and advertise such wine.

FIRST CAUSE OF ACTION
Trademark Infringement, 15 U.S.C. § 1114

32. Willamette Valley Vineyards realleges and incorporates by reference the preceding allegations set forth in Paragraphs 1 through 31, as if fully set forth herein.

33. Flying Blue's use of the trademarks WILLAMETTE VALLEY CELLARS and WILLAMETTE in connection with wine and the domain name WILLAMETTECELLARS.COM in connection with the advertising and promotion of wine violates Section 32 of the Lanham Act, 15 U.S.C. § 1114 because that use is likely to cause confusion and mistake as to the origin and source of Flying Blue's wine, and as to an association or affiliation between wines sold by Flying Blue and those sold by Willamette Valley Vineyards.

34. Flying Blue's use of the confusingly similar trademarks WILLAMETTE VALLEY CELLARS and WILLAMETTE and the WILLAMETTECELLARS.COM domain name has been deliberate and willful, and with actual knowledge of Willamette Valley Vineyards' rights in the WILLAMETTE Marks.

35. Willamette Valley Vineyards has no adequate remedy at law and, if Flying Blue's wrongful use of the trademark WILLAMETTE VALLEY CELLARS and WILLAMETTE and the domain name WILLAMETTECELLARS.COM is not enjoined, Willamette Valley Vineyards will suffer irreparable harm and injury to its goodwill and reputation.

SECOND CAUSE OF ACTION
Trademark and Trade Name Infringement, Unfair Competition,
and False Designation of Origin, 15 U.S.C. § 1125(a)(1)(A)

36. Willamette Valley Vineyards realleges and incorporates by reference the preceding allegations set forth in Paragraphs 1 through 35, as if fully set forth herein.

37. Flying Blue's use of the trademarks WILLAMETTE VALLEY CELLARS and WILLAMETTE, the trade name "Willamette Valley Cellars," and the domain name WILLAMETTECELLARS.COM violates Section 43(a)(1)(A) of the Lanham Act, 15 U.S.C. § 1125(a)(1)(A), because that use is likely to cause confusion and mistake as to the origin, sponsorship, or approval of wine offered and promoted by Flying Blue, including as to whether that wine originates from or is sponsored or approved by Willamette Valley Vineyards.

38. Flying Blue's use of the confusingly similar trademarks WILLAMETTE VALLEY CELLARS and WILLAMETTE, the trade name "Willamette Valley Cellars," and the domain name WILLAMETTECELLARS.COM has been deliberate and willful, and with actual knowledge of Willamette Valley Vineyards' rights in the WILLAMETTE Marks.

39. Willamette Valley Vineyards has no adequate remedy at law and, if Flying Blue's wrongful use of the trademarks WILLAMETTE VALLEY CELLARS and WILLAMETTE, the trade name "Willamette Valley Cellars," and the domain name WILLAMETTECELLARS.COM is not enjoined, Willamette Valley Vineyards will suffer irreparable harm and injury to its goodwill and reputation.

THIRD CAUSE OF ACTION
Trademark Infringement, Trade Name Infringement and Unfair Competition
Under Oregon Common Law

40. Willamette Valley Vineyards realleges and incorporates by reference the preceding allegations set forth in Paragraphs 1 through 39, as if fully set forth herein.

41. Flying Blue's use of the trademarks WILLAMETTE VALLEY CELLARS and WILLAMETTE, the trade name "Willamette Valley Cellars," and the domain name WILLAMETTECELLARS.COM in connection with its wine is likely to cause confusion, mistake, and deception among the consuming public as to an association or affiliation between

wines of Flying Blue and of Willamette Valley Vineyards, and falsely suggest that Flying Blue has a connection with Willamette Valley Vineyards. This constitutes trademark infringement, trade name infringement, and unfair competition in violation of the common law of Oregon.

42. By its above conduct, Flying Blue has deceived and harmed the public, and inflicted irreparable injury upon Willamette Valley Vineyards for which it has no adequate remedy at law, unless Flying Blue is restrained and enjoined by this Court from further infringement.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Willamette Valley Vineyards prays for relief against Defendant Flying Blue as follows:

1. Entry of preliminary and permanent injunctions enjoining Flying Blue and its servants, agents, employees, successors and assigns, and all persons acting in concert with them, from (a) using in any manner the trademarks WILLAMETTE VALLEY CELLARS or WILLAMETTE, or the trade name “Willamette Valley Cellars,” or the domain name WILLAMETTECELLARS.COM, or any other trade name, trademark or domain name confusingly similar to the WILLAMETTE Marks and the “Willamette Valley Vineyards” trade name;

2. Ordering Flying Blue to transfer to Willamette Valley Vineyards the registration for the domain name WILLAMETTECELLARS.COM and any other domain names incorporating or confusingly similar to the WILLAMETTE Marks registered to, owned or controlled by Flying Blue;

3. Ordering Flying Blue to deliver up to Willamette Valley Vineyards for destruction all goods, signs, advertisements, literature, business forms, cards, labels, packages, wrappers, pamphlets, brochures, receptacles, and any other written or printed material in its possession or under their control which contain or encompass the trademarks WILLAMETTE VALLEY CELLARS or WILLAMETTE, or the trade name “Willamette Valley Cellars”, any

colorable imitations thereof; or which contain any false or misleading descriptions or representation of fact;

4. Ordering Flying Blue to file with this Court and serve on Willamette Valley Vineyards' counsel within thirty (30) days after the Court's issuance of a judgment, a report setting forth in detail the manner and form in which Flying Blue has complied with Paragraphs 1 and 2 of Willamette Valley Vineyards' Prayer for Relief;

5. Awarding compensatory damages sustained by Willamette Valley Vineyards and profits generated by Flying Blue as a result of the acts complained of herein pursuant to federal and state law, to be trebled in accordance with 15 U.S.C. § 1117;

6. Awarding Willamette Valley Vineyards its attorneys' fees pursuant to 15 U.S.C. § 1117 and other applicable federal and state laws; and

7. Awarding Willamette Valley Vineyards interest, costs, and such other relief as the Court may deem just and equitable.

JURY DEMAND

Willamette Valley Vineyards hereby demands a trial by a jury of all issues so triable.

DATED this 6th day of April, 2021.

DAVIS WRIGHT TREMAINE LLP

By /s/ Steven E. Klein

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